



Asset Summary Report

Project:	Southpark Development Center	Offering Number:	debt_6830
Loan Balance:	\$4,040,443.84	Rate Type (F/V):	Fixed
As of Date:	10/31/12	Current Interest Rate:	5.00%
Original Balance:	\$4,726,000.00	Monthly P&I:	\$25,370.19
Note Date:	06/26/03	Interest Calc Method:	NAV
Maturity Date:	07/01/33	Remaining Term (mos):	247
Lien Position:	First	Paid Through Date:	NAV
Recourse:	No	Prepayment Type:	Declining Balance
Recourse To:	None	DSC:	NAP
Guaranty:	None	LTV:	577.21%
Executive Summary			
This is a single non-performing note with a \$4.04MM principal balance, a 5.00% fixed interest rate, and a 07/01/33 maturity date. The relationship originated in 2003 to refinance a 108-bed intermediate care facility in Brownwood, Texas. The note is secured by a first lien on the real estate. The borrower is AHS Southpark Development Center, LLC.			
Loan Description/History			
The loan was originated in 2003 for the purpose of refinancing a 108-bed healthcare facility. The loan has a fixed interest rate of 5.00% and calls for monthly payments of \$25M. The loan was structured as fully amortizing over the loan term. The maturity date is 07/01/33. The loan was open to prepayment in 2008 subject to a premium of 5% declining 1% per annum to par on 07/01/13 and thereafter.			
Collateral Type:	Intermediate Care Facility	Number of Buildings:	1
Units:	108	Number of Stories:	1
Property Address:	2605 Morris Sheppard Drive	Land (Acres):	19.311
City:	Brownwood	Year Built/Renovated:	1975
State:	Texas	Occupancy:	0%
Zip Code:	76801	Number of Tenants:	0
Appraised Value:	\$700,000	Appraisal Date:	11/6/2012
Collateral Description			
The collateral, Southpark Development Center, is a 108-bed intermediate care facility in Brownwood, Texas. The facility is located on a 19.311 acre parcel of land and contains 32M net rentable square feet. The building was constructed in 1975 and was operated as the Southpark Development Center from 2003 until its closure in October, 2011.			
Location Description			
The property is located on the south side of Morris Sheppard Drive in Brownwood, TX. Approximately 0.6 miles to the east of the property is U.S. Highway 377, locally referred to as South Main Street. South Main Street is the primary north/south thoroughfare in the neighborhood and spans the entirety of Brownwood, Texas. The land immediately surrounding the subject property is exclusively zoned as a "C-1" local business district, and is moderately developed with retail and commercial improvements. There are also two large shopping centers nearby, located around downtown Brownwood: Park Plaza is located 4.6 miles to the north and Heartland Mall is located 5.8 miles to the northeast. Access to several freeways is available within six miles, including U.S. Route 67, U.S. Route 84, and U.S. Route 183. The routes provide access to adjacent cities as well as the Fort Worth and Western Railroad and Brownwood Regional Airport. Railroad access is approximately 3.5 miles north of the subject, and the Brownwood Regional Airport is approximately 10 miles north.			
The subject is well situated for commercial development, and is proximate to several medical facilities. The Brownwood Regional Medical Center is adjacent to the subject, directly to the west on Morris Sheppard Drive. The Camp Bowie Military Reservation, which no longer serves the military but has been repurposed with various medical uses including a hospital and other medical buildings, is three miles to the south. Brownwood, Texas has a population of 19M and a median household income of \$27M.			
Leasing Comments			
The property is currently vacant. The property was voluntarily closed in October, 2011 as part of the State of Texas's Home and Community Services Program. The program uses federal grants to offer individualized services and support to patients with intellectual disabilities so that they may live with their family, in their own home or in other community settings. To date, the borrower's parent company has voluntarily closed a total of seven facilities as part of the program.			
Borrower Comments			
The borrower is AHS Southpark Development Center, LLC, a Texas limited liability company. AHS Southpark owns the land, building and equipment in the facility and is a wholly owned subsidiary of American Habilitation Services, the parent company who performs the day to day operations of the business.			
Borrower's FY11 financial statement indicated \$303MM in revenue and \$33M in expenses, for an NOI of \$270M. Additional financial information has not been provided as the facility is no longer operating.			
Underwriting			
DSCR is not calculated as the property is vacant and is non-income producing.			

"Please note that while efforts have been made to provide adequate documentation on the Asset(s), HUD makes no representations or warranties with respect to the accuracy or completeness of any information presented, including but not limited to the information contained in this summary or available online, documents disclosed in the Review Files, and any other written or oral information conveyed, except as expressly set forth in the Asset Sale Agreement."



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Entrance to Building



Southwest Façade of Building



North Elevation



West Elevation

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